

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : 08-13555 (JMP)
Debtors. : (Jointly Administered)
: :
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ORDER MODIFYING AUTOMATIC STAY FOR LIMITED PURPOSE

Upon the motion, dated November 15, 2010 (the “Motion”) [Docket Nos. 12780, 12781, 12784, 12788], of Prudence M. Waltz (“Movant”), pursuant to sections 362(d)(2) and 554 of title 11 of the United States Code (the “Bankruptcy Code”), for relief from the automatic stay and an order directing the abandonment of claims against real property commonly known as 844-846 West 57th Street, Los Angeles, California; and upon the response to the Motion filed by Lehman Brothers Holdings Inc. (“LBHI”) [Docket No. 13384] (the “LBHI Response”); the joinder to the LBHI Response filed by the Official Committee of Unsecured Creditors [Docket No. 13413]; and upon the reply in support of the Motion filed by Movant [Docket No. 13397]; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the Court having considered all of the pleadings filed in respect of the Motion; and

a hearing having been held to consider the relief requested in the Motion on December 15, 2010 (the “Hearing”); and after due deliberation, it is hereby

ORDERED that, for the reasons set forth by the Court on the record of the Hearing, the Motion is denied except to the limited extent set forth herein; and it is further

ORDERED that, pursuant to section 362(d)(1), the automatic stay extant in LBHI’s case under chapter 11 of the Bankruptcy Code shall be modified solely to permit the State Court Litigation¹ [Case No. BC 374163] to continue; and it is further

ORDERED that, except as expressly provided herein, the provisions of section 362(a) of the Bankruptcy Code, including, without limitation, those provisions prohibiting any act to collect, assess, or recover a claim that arose prior to the Commencement Date from the Debtors’ estates and/or assets or property of the Debtors’ estates (as defined in section 541 of the Bankruptcy Code) shall remain in full force and effect; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
December 22, 2010

s/ James M. Peck
Honorable James M. Peck
United States Bankruptcy Judge

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the LBHI Response.